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**Re: SB-93~~7~~, An Act Concerning a Business Tax Surcharge**

I strongly oppose **SB-93~~7~~**, which would impose a 30% surcharge on the Corporation Business Income Tax, and other tax increases on Connecticut's businesses.

In these difficult economic times, tax increases will only fan the flames of recession. Connecticut must reject tax increases and, instead, take steps to position businesses for economic recovery.

While we understand that the state is attempting to dig itself out of a whopping \$6 – 8 billion dollar deficit, increasing taxes will kill any opportunity we have of coming out of this mess with enough businesses still standing to generate any new jobs and tax revenues.

In the real estate market, we have witnessed an unprecedented decline in residential sales. In addition, permits for new home construction plunged 25 percent in Connecticut in 2008, marking the fourth straight year of declines. Experts forecast that we may not see any recovery until the second half of 2010.

My company is working hard to maintain its operations, but we simply cannot absorb any additional costs if we are to successfully weather this fiscal crisis. The only silver lining in this proposal is that my company is not making any money for you to tax. Knowing that if I do manage to turn a profit, the state will be waiting to take a large chunk of it, is hardly the incentive I need to keep my doors open and my employees on the payroll.

While we understand that the state is facing dire financial straits, adding to the cost of doing business is the wrong direction to go. The state should not enact any tax increases if it hopes to nurture the growth of small and midsize businesses, which have been responsible for an estimated 80% of the job growth in Connecticut.

I urge lawmakers to instead support the Governor's budget proposal, which will reduce spending and create a more responsive and efficient state government, without raising taxes.